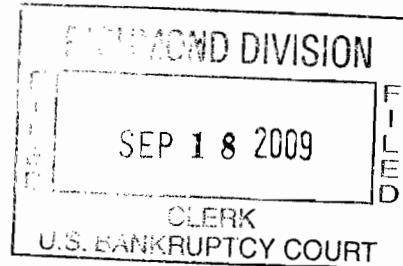


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2 Snohomish County Treasurer
3 3000 Rockefeller Plaza
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6 IN THE UNITED STATES BANKRUPTCY COURT
7 FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

8 In Re:

9 CIRCUIT CITY STORES, INC., et al.,

10 Debtors.

Chapter 11

No. 08-35653 (KRH)

SNOHOMISH COUNTY'S RESPONSE
TO DEBTOR'S THIRTY-SEVENTH
OMNIBUS OBJECTION TO CLAIMS
(REDUCTION OF CERTAIN PERSONAL
PROPERTY TAX CLAIMS)

15 Creditor Snohomish County Treasurer ("Snohomish County") files this Response
16 to Debtors' Thirty-Seventh Omnibus Objection (the "Objection") to Claims as it relates to
17 Snohomish County's claim for delinquent personal property taxes, Claim No. 11646, as
18 follows:

20 I. LAW

21 The assessed value of personal property subject to taxation in Washington is
22 determined by a Personal Property Listing that the taxpayer provides to the county
23 assessor. RCW 84.40.070. Personal Property is valued at one hundred percent
24 (100%) of its true and fair value as of January 1 of the assessment year and taxed
25 during the subsequent tax year. RCW 84.40.030, RCW 84.56.010 and RCW 84.56.020.

1 Under RCW 84.40.030, "it shall be presumed that the determination of the public
2 official charged with the duty of establishing such value is correct but this presumption
3 shall not be a defense against any correction indicated by clear, cogent and convincing
4 evidence."

5 A proof of claim executed and filed in accordance with Bankruptcy Rules
6 constitutes prima facie evidence of the validity and amount of the claim BR 3001(f).

7

8 **II. ARGUMENT**

9 Snohomish County is a political subdivision of the State of Washington.
10 Snohomish County imposes ad valorem real and personal property taxes pursuant to
11 Title 84 of the Revised Code of Washington. The personal property used by the
12 Debtors in its businesses in the State of Washington was subject to such ad valorem
13 taxation.

14 The Snohomish County Treasurer has already filed with the court as part of its
15 creditor's claim the following documents incorporated by reference into this Response:

16 Proof of Claim;
17 2009 Property Tax Statement; and
18 Personal Property Assessment Notice.

19

20 **The Debtors Have Failed to Overcome the Presumption that the Snohomish**
County Assessment Value is Correct.

21

22 In the immediate instance, the Debtors have failed to show any proof, let alone
23 clear, cogent, and convincing evidence that the Snohomish County assessment is
24 incorrect. See RCW 84.40.0301. The Debtors have likewise failed to overcome the
25 prima facie showing that the claim is valid. BR 3001(f).

1 The Debtors' Objection merely includes a cursory statement, apparently equally
2 applicable to the 120 different taxing agencies subject to the Objection, that "the Claims
3 are overstated in amount given the value of the personal property that is subject of the
4 personal property taxes." Objection, Section 11, page 6. The Debtor fails to specifically
5 address the valuations of the personal property as detailed on the Personal Property
6 Assessment Notice included with the filed proof of claim. At most, the Motion includes
7 unsupported statements that the Debtors "determined the appropriate personal property
8 tax value of personal property assets at each of the Debtor's store locations."
9 Objection, Section 12, page 6. The Debtors have failed to offer any specific proof that
10 overcomes the presumption that the values are correct and valid.

III. CONCLUSION

The Snohomish County Treasurer respectfully requests that the Court deny the
Debtors' objection and allow Snohomish County's claim as filed.

DATED this 15 day of September, 2009.

Debi Gahringer
Debi Gahringer, Bankruptcy Technician
Snohomish County Treasurer's Office